



UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

SEP 27 2010

PERSONNEL AND
READINESS

MEMORANDUM FOR DIRECTOR OF ADMINISTRATION AND MANAGEMENT

SUBJECT: DoD Medicare-Eligible Retiree Health Care Board of Actuaries Charter
Renewal

The DoD Medicare-Eligible Retiree Health Care Board of Actuaries is a federal advisory committee requiring a charter renewal every two years, by law. The Board's current charter was approved on December 11, 2008.

The Board's mission is to report to the Secretary of Defense annually on the actuarial status of the DoD Medicare-Eligible Retiree Health Care Fund; to review the Fund under 10 U.S.C. §1115; and to report periodically, not less than once every four years, to the President and Congress on the status of the Fund to include recommendations for funding modifications the Board considers appropriate and necessary to maintain the Fund on a sound actuarial basis.

The Board has diligently accomplished its mission during the last two years, including approving methods and assumptions for the valuation of the Medicare-Eligible Retiree Health Care Fund, and sending a report to the President and Congress on the Fund on December 30, 2009.

The DoD Boards of Actuaries were established to provide independent oversight of the valuations of the trust funds in their purview. Because contributions to and liabilities of these funds are extremely sensitive to the underlying assumptions, this responsibility must not rest with regular DoD employees.

The DoD Medicare-Eligible Retiree Health Care Board of Actuaries was established under the provisions of 10 U.S.C. § 113, and the Federal Advisory Committee Act of 1972 (5 U.S.C., as amended), and cannot be discontinued without changing that legislation.

The attached charter contains no significant changes from the current charter. Request that you approve the DoD Medicare-Eligible Board of Actuaries charter renewal.

A handwritten signature in dark ink, reading "Clifford L. Stanley", is positioned above the printed name.

Clifford L. Stanley

Attachments:
As stated

CHARTER
DEPARTMENT OF DEFENSE MEDICARE-ELIGIBLE RETIREE HEALTH CARE BOARD
OF ACTUARIES

1. Committee's Official Designation: The Committee shall be known as the Department of Defense Medicare-Eligible Retiree Health Care Board of Actuaries (hereafter referred to as "the Board").
2. Authority: The Secretary of Defense, under the provision of 10 U.S.C. § 1114 and the Federal Advisory Committee Act of 1972 (5 U.S.C., Appendix) and 41 CFR § 102-3.50(a), established the Board.
3. Objectives and Scope of Activities: The Board shall provide the Secretary of Defense with independent advice and recommendations related to actuarial matters associated with the Department of Defense Medicare-Eligible Retiree Health Care Fund and other related matters, as set out in (4) and (5) below.
4. Description of Duties: The Board, under the authority of 10 U.S.C. § 1114, shall provide independent advice and recommendations related to actuarial matters associated with the Department of Defense Medicare-Eligible Retiree Health Care Fund and on matters referred by the Secretary of Defense, including that regarding;
 - a. Valuations of the Fund under Title 10, United States Code, Section 1115(c);
 - b. Recommendations for such changes as in the Board's judgment are necessary to protect the public interest and maintain the Fund on a sound actuarial basis; and
 - c. Advise the Secretary of Defense on all actuarial matters necessary to make determinations in order to finance liabilities of the Fund on an actuarially sound basis.

The Secretary of Defense, through the Under Secretary of Defense (Personnel and Readiness), may act upon the Board's advice and recommendations.

5. Agency or Official to Whom the Committee Reports: The Board shall report to the Secretary of Defense, through the Under Secretary of Defense (Personnel and Readiness). The Board shall report annually on the actuarial status of the Fund, and the Board shall furnish its advice and opinion on matters referred to it by the Secretary. The Board shall report periodically, but not less than once every four years to the President and the Congress on its valuations of the Fund under Title 10, United States Code, Section 1115(c). In its report to the President and the Congress, the Board shall include the status of the Fund to include recommendations for such changes as in the Board's judgment are necessary to protect the public interest and maintain the Fund on a sound actuarial basis.

6. Support: The Department of Defense, through the Under Secretary of Defense (Personnel and Readiness), shall provide support as deemed necessary for the performance of the Board's functions, and shall ensure compliance with the requirements of the Federal Advisory Committee Act of 1972 and the Government in the Sunshine Act of 1976 (5 U.S.C. § 552b).
7. Estimated Annual Operating Costs and Staff Years: It is estimated that the annual operating costs, to include travel costs and meeting and contract support, is approximately \$84,500.00. The estimated annual DoD personnel costs are .5 full-time equivalents (FTEs).
8. Designated Federal Officer: The Designated Federal Officer, pursuant to DoD policy, shall be a full-time or permanent part-time DoD employee, and shall be appointed in accordance with governing DoD policies and procedures. In addition, the Designated Federal Officer is required to be in attendance at all committee and subcommittee meetings; however, in the absence of the Designated Federal Officer, the Alternate Designated Federal Officer shall attend the meeting.
9. Estimated Number and Frequency of Meetings: The Board shall meet at the call of the Board's Designated Federal Officer, in consultation with the Chairperson. The estimated number of Board meetings is one per year.
10. Duration: The need for this advisory function is on a continuing basis; however, it is subject to renewal every two years.
11. Termination: The Board shall terminate upon completion of its mission or two years from the date this charter is filed, whichever is sooner, unless the Secretary of Defense extends it.
12. Membership and Designation: The Board shall be composed of three Board members appointed by the Secretary of Defense from among qualified professional actuaries who are members of the Society of Actuaries. Except for those members of the Board who were first appointed under Title 10, United States Code, Section 1114(B), the Board members shall serve for a term of 15 years; except those Board members appointed to fill a vacancy occurring before the end of the term for which the predecessor was appointed shall serve only until the end of such term. Board members may serve after the end of the term until a successor has taken office. No Board member, other than those originally appointed for less than 15-year term or a Board member appointed to fill an unexpired term may be reappointed for successive terms.

Board members shall be appointed by the Secretary of Defense, and their membership shall be renewed by the Secretary of Defense on an annual basis. A member of the Board may be removed by the Secretary of Defense for misconduct or failure to perform functions vested in the Board, or for no other reason.

Board members appointed by the Secretary of Defense, who are not full-time or permanent part-time federal officers or employees, shall serve as special government employees under the authority of 5 U.S.C. § 3109, and shall, under the authority of 10 U.S.C. § 1114(a)(3), serve with compensation, to include travel and per diem for official travel, in accordance with Title 5, United States Code, Section 5703.

The Chairperson of the Board shall be designated by the Under Secretary of Defense (Personnel and Readiness), on behalf of the Secretary of Defense.

13. Subcommittees: With DoD approval, the Board is authorized to establish subcommittees, as necessary and consistent with its mission. These subcommittees or working groups shall operate under the provisions of the Federal Advisory Committee Act of 1972, the Government in the Sunshine Act of 1976, and other governing Federal statutes and regulations.

Such subcommittees or working groups shall not work independently of the chartered Board, and shall report all their recommendations and advice to the Board for full deliberation and discussion. Subcommittees or working groups have no authority to make decisions on behalf of the chartered Board; nor can they report directly to the Department of Defense or any Federal officers or employees who are not Board members.

Subcommittee members, who are not Board members, shall be appointed in the same manner as the Board members.

14. Recordkeeping: The records of the Board and its subcommittees shall be handled according to section 2, General Record Schedule 26 and governing DoD policies and procedures. These records shall be available for public inspection and copying, subject to the Freedom of Information Act of 1966 (5 U.S.C. § 552).

15. Filing Date:

COORDINATION SHEET

(2010-2012) Charter Renewal

Department of Defense Medicare-Eligible Retiree Health Care Board of Actuaries' Charter

FREEMAN.

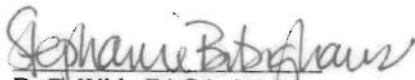
JAMES.D.

II.1043158844

Digitally signed by FREEMAN.
JAMES.D.II.1043158844
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**Deputy Advisory Committee
Management Officer**

Date


DoD Wide FACA Attorney

9/9/10
Date